BRITISH COLUMBIA | BCStats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 11-23 June 10, 2011

- **British Columbia's unemployment rate falls to 7.6% in May**
- **BC exports fall 9.1% in April**
- **Housing starts in BC jump 30.2% in May**

Labour

- **British Columbia's jobless rate edged 0.3 percentage points lower to 7.6% (*seasonally adjusted*) in May.** Employment in the province advanced (+0.2%), marking a fourth consecutive monthly increase. The size of BC's labour force contracted slightly (-0.1%), which also contributed the decline in the unemployment rate.

  After advancing for three consecutive months, employment in the province's goods sector stalled (-0.1%) in May. While the number of jobs in the construction industry (+1.5%) continued to rise, employment in utilities (-3.8%), agriculture (-2.5%), manufacturing (-1.2%) and forestry, fishing & mining (-0.9%) was lower.

  Despite significant job losses in public administration (-5.9%), finance, insurance & real estate (-3.4%) and educational services (-1.5%), service sector employment edged 0.3% higher. Offsetting these declines was strong growth in the number of jobs in management, administration & support services (+9.7%), professional, scientific & technical services (+3.8%) and information, culture & recreation (+3.3%). *Data Source: Statistics Canada*

- **At the regional level, jobless rates (*unadjusted 3-month moving average*) ranged from 5.1% in Northeast to 9.5% in Kootenay.** A double-digit gain in employment in North Coast/Nechako (+11.6%) was the strongest in BC, followed by more modest increases in Northeast (+4.6%), Mainland/Southwest (+2.0%) and Thompson-Okanagan (+1.3%). Employment inched ahead (+0.4%) in Cariboo, while falling in both Vancouver Island/Coast (-3.7%) and Kootenay (-0.6%).
  Data Source: Statistics Canada

- **Nationally, employment inched ahead 0.1% in May.** Seven provinces saw job growth, with Quebec (+0.6%), Saskatchewan (+0.5%) and Alberta (+0.4%) posting the largest gains. Newfoundland and Labrador (-1.2%), New Brunswick (-0.4%) and Ontario (-0.2%) all recorded employment slowdowns during the month. *Data Source: Statistics Canada*

The Economy

- **The value of exports from British Columbia fell sharply (-9.1% *seasonally adjusted*) in April.** While exports of agriculture & fish products (+0.9%) and machinery & equipment (+1.7%) rose slightly, shipments of industrial & consumer products (-22.2%) plummeted. Also registering substantial declines were exports of energy (-6.5%) and forestry (-6.1%) products.

  The value of goods bound for US customers was down (-4.9%) for a third straight month. All major commodity groups, with the exception of machinery & equipment (+1.2%), were weaker. Most significant of these was a 13.6% drop in the value of exported energy products.

  Nationally, exports slipped 1.9% in April, primarily attributable to a decline in shipments of machinery & equipment (-7.8%) and industrial goods (-3.8%).
  Data Source: Statistics Canada & BC Stats

- **Housing starts in British Columbia surged ahead 30.2% (*seasonally adjusted*) in May,**

Report **Another BRIC in the Export Wall**

Did you know...

Roughly four in ten (44%) British Columbians don't always don a lifejacket while boating.

Data Source: Ipsos Canada

building on the 21.9% increase posted a month earlier. Nationally, the number of new housing starts advanced slightly (+2.7%) in May. Eight provinces posted a higher number of starts, with BC (+30.2%), Alberta (+13.6%) and Quebec (+12.0%) all registering double-digit increases. However, these gains were almost entirely offset by a sharp decline in the number of starts in Ontario (-21.6%).

Data Source: CMHC

- **The value of building permits issued by municipal authorities in British Columbia fell 10.9% (*seasonally adjusted*) in April.** This decline comes on the heels of a significant rise (+36.5%) in the previous month. The entire drop registered in April was attributable to a significant (-39.1%) decline in the value of permits issued to the non-residential sector with lower construction intentions for commercial (-47.7%), industrial (-37.9%) and institutional (-4.7%) buildings. The value of residential permits was up 13.1% during the month.

  Nationally, permit values slumped 21.1% with sharp declines registered in both the residential (-12.6%) and non-residential (-33.2%) sectors. At the provincial level, permit values were down in seven provinces, most notably in Ontario (-41.9%), BC (-10.9%) and Quebec (-3.9%).*Data Source: Statistics Canada*

- **During the first four months of 2011, the value of building permits issued in the province has dipped 0.8% compared to the same period in the previous year.** Year-to-date, building intentions were up in North Coast (+173.3%) and Mainland/Southwest (+17.8%), but down sharply in Northeast (-20.0%), Vancouver Island/Coast (-25.9%), Thompson-Okanagan (-29.1%), Cariboo (-35.4%), Kootenay (-44.7%) and Nechako (-61.6%). A drop in the value of residential permits (-11.2%) was the chief reason for the overall decline as the number of permits issued for single-dwelling units has fallen by more than one-third (-35.7%) so far in 2011.

  Data Source: Statistics Canada & BC Stats

Crime

- **In 2009, police services in British Columbia reported 219 hate crimes, an increase of 14.7% over the previous year.** This was also represented in an increase in the rate of incidents to 5.0 per 100,000 population, up from 4.4 in 2008. Among the province's major urban centres, Vancouver, accounting for approximately three-quarters (74%) of all hate crimes reported in BC, registered the largest increase (+14.0%).

  At the national level, the number of hate crimes rose 42.2% in 2009, representing a rate of 5.0. Racial or ethnically motivated hate crimes, accounting for more than half (52%) of hate crimes, were up 35.3% from 2008. Religiously-motivated hate crimes rose by more than half (+54.7%), Jews being the victims in nearly three-quarters (72%) of cases. Provincial level data were also available for Quebec (+110.6%) and Ontario (+43.2%), both of which registered substantial increases in the number of police-reported hate crimes between 2008 and 2009.

  Data Source: SC Cat no. 85-002-X

Private Radio Broadcasting

- **Operating revenues at British Columbia's 106 private radio broadcasting stations remained virtually unchanged (+0.1%) at $209 million in 2010.**[1] Of those revenues nearly all (98%) were from advertising sales. Revenues remain markedly lower (-7.7%) than the level registered in 2008, prior to the economic downturn. In BC, private radio broadcasting employed 1,488 people in 2010, down 4.0% from the previous year.

  Data Source: SC Cat no. 56-002-X

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[1] Figures for British Columbia also include those for Yukon, Northwest Territories and Nunavut.

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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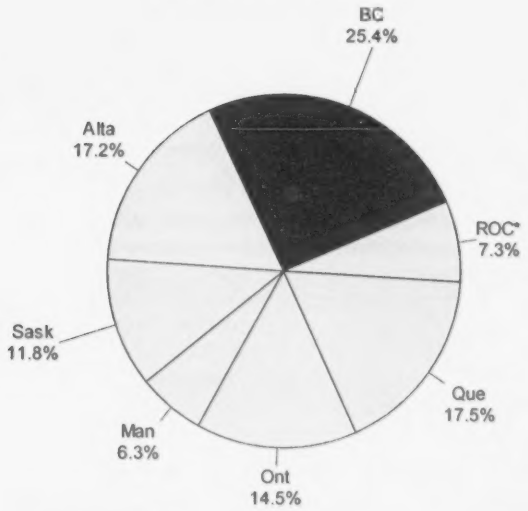
Another BRIC in the Export Wall

A lot of attention has been paid to the emerging economies of Brazil, Russia, India and China – dubbed BRIC – in recent years. This group of four nations is seen as having the greatest potential for economic growth and there have been efforts by many countries, including Canada, to enhance trade relationships with BRIC. Within Canada, British Columbia has been at the forefront in terms of boosting commodity exports to those countries. Over the last decade, the share of BC's exports destined for BRIC countries grew from only 3% in 2000 to 16% in 2010. This is by far the largest share of exports of any province. At 11%, Manitoba ranked second, while Ontario shipped the smallest percentage of its goods exports to BRIC countries, at only 2%.

BC led the country in exports to BRIC countries in 2010



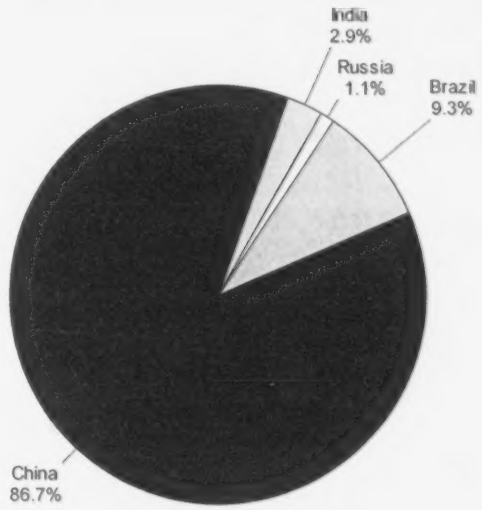
*Rest of Canada
Source: Statistics Canada

In 2010, British Columbia was the source of approximately a quarter of Canada's commodity exports to BRIC, the largest share of any province.

After BC, Quebec and Alberta were each the origin of around 17% of Canadian goods shipped to BRIC countries.

Most of BC's exports to BRIC are to Mainland China. In 2010, almost 87% of BC origin exports to BRIC were shipped to China. Brazil was the destination of around 9% of BC's exports to BRIC, with 3% destined for India and the remaining 1% shipped to Russia.

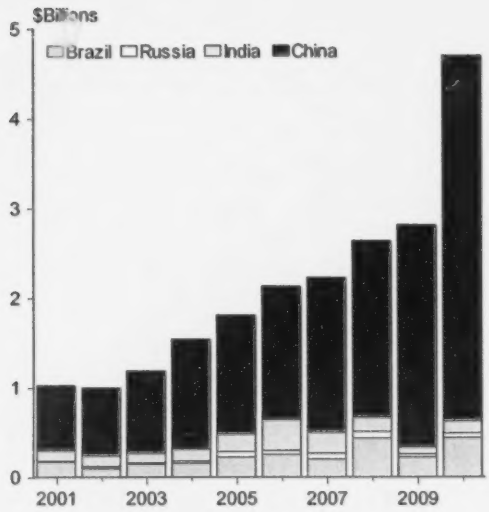
The large majority of BC's exports to BRIC countries in 2010 was destined for China



Source: Statistics Canada

Not only has China been the main destination for exports to BRIC, but it has also been where most of the growth in BC's exports to BRIC has been concentrated in the last several years. From 2009 to 2010, BC's exports to BRIC grew 67%. Approximately 85% of this increase was attributable to growth in shipments to Mainland China. Overall, BC's exports to BRIC in 2010 were five times the value shipped just ten years earlier.

Most of the growth in BC's exports to BRIC countries has been in shipments to China



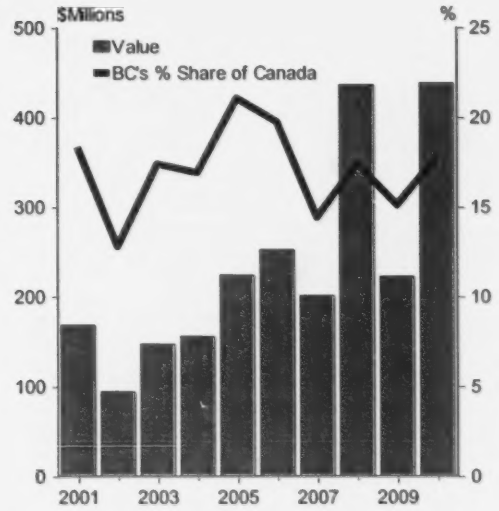
Source: Statistics Canada

While BC depends more on BRIC as a destination for exports compared to the rest of Canada, there has been substantial growth in shipments to BRIC for most provinces over the last decade. Overall Canadian exports to BRIC were more than three and a half times higher in 2010 than in 2000.

Brazil

BC's goods exports to Brazil more than doubled in 2008, but all that ground was lost in 2009, likely due, at least in part, to the global economic downturn. However, exports rebounded in 2010, to almost the same level achieved in 2008. The value of goods shipped from BC to Brazil in 2010 was the highest ever recorded, just slightly greater than the 2008 figure, which was almost double the previous high. Nevertheless, exports to Brazil represented less than 2% of the value of BC's overall goods exports in 2010. That was still good enough to rank Brazil as the eighth most significant destination for exports from British Columbia, but given the size of the Brazilian economy, there appears to be untapped potential for Brazil as a trade partner, both for BC and for Canada as a whole, which shipped less than 1% of its commodity exports to Brazil in 2010.

BC's exports to Brazil jumped significantly in two of the last three years, but are still relatively small



Source: Statistics Canada

In 2010, most of BC's exports to Brazil were comprised of coal (88%). Sulphur (4%) was the only other good to make up more than 1% of total BC exports to Brazil.

Canada's top export to Brazil was potash (19%), a fertilizer sourced from Saskatchewan and New Brunswick. Coal (16%), mainly from BC, was the second largest Canadian export to Brazil, followed by vaccines for human medicine (11%), and newsprint (9%).

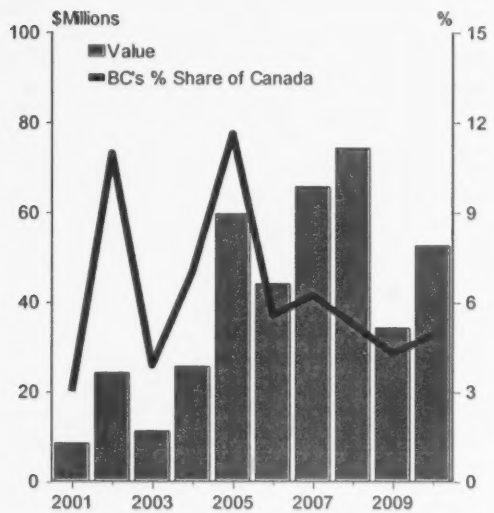
Disputes over aircraft and beef have served as deterrents to developing a more substantial trade relationship between Canada and Brazil, but the more recent growth in trade and investment may be a signal that those bad feelings have been left

in the past. The value of both Canadian exports to, and imports from Brazil have more than doubled in the last decade. Canadian direct investment in Brazil almost doubled from 2000 to 2010 and Brazilian investment in Canada climbed from $621 million in 2000 to $13.5 billion a decade later, more than a 34-fold increase.

Russia

Of the four BRIC countries, Russia has the smallest trade and investment relationship with British Columbia, and with Canada as a whole. In 2010, BC's exports to Russia were valued at just $52.6 million, which amounted to only 5% of total Canadian exports to that country.

BC exports relatively little to Russia



Source: Statistics Canada

In 2010, BC's top commodity export to Russia was frozen fish (38%), followed by mining industry machinery (14%). Swine meat was the top Canadian export to Russia (16%).

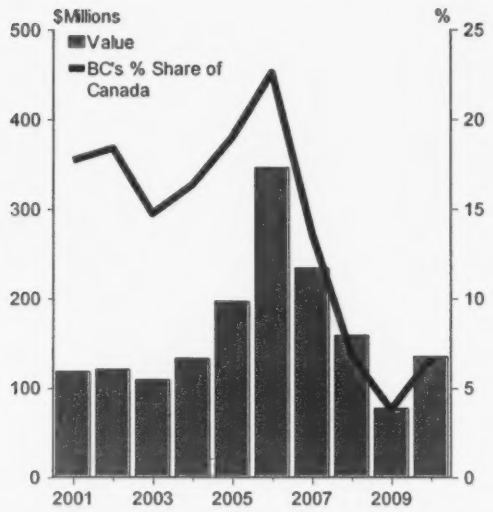
Canada exported just over $1 billion worth of goods to Russia in 2010, which was less than one half of one percent of total Canadian goods exports. Canadian imports from Russia were valued at around $1.6 billion. Canadian direct investment in Russia was only $560 million in 2010 and Russian investment in Canada was just slightly over $1 billion, although the latter figure represents substantial growth from just a few years earlier.

Issues preventing a more significant trade and investment relationship between the two countries include high levels of corruption and a tangled bureaucracy in Russia. The Russian government is taking steps to solve these problems, but it may be years before Canada's relationship with Russia can realize its full potential.

India

While India has become a more significant trade partner for Canada over the last decade, BC has not been a large beneficiary. Over three-quarters of Canada's exports to India originate in just three provinces: Saskatchewan, Quebec and Ontario. In 2010, British Columbia's share of Canadian exports to India was only 7%, well down from levels of around 18% recorded earlier in the decade. With the exception of 2006, when they spiked to $345.9 million, there has been very little growth in BC's exports to India. On the other hand, Canadian commodity exports to India more than tripled over the last decade.

Other than the spike in 2006,
BC has exported very little to India



Source: Statistics Canada

The top exports from BC to India in 2010 were copper ores and concentrates (38%) and pulp (34%). Peas, chickpeas and lentils (21%), sourced mainly from Saskatchewan, topped the list of Canadian shipments to India, followed by Potash (16%) (also from Saskatchewan) and newsprint (14%).

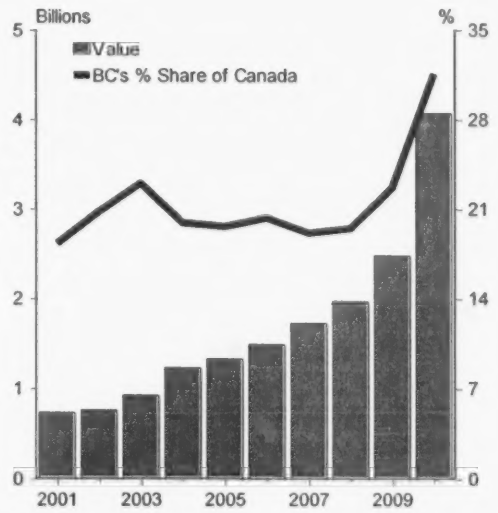
While they have grown significantly over the last decade, the value of Canadian exports to India was still only $2 billion in 2010, a fairly paltry figure considering the size of India's economy. Imports from India were around $2.1 billion. In addition to relatively small volumes of trade, Canadian direct investment in India was only $492 million in 2010, the least invested in any of the BRIC nations. Indian investment in Canada was more significant, at $6.6 billion, but this figure still represented only 1.2% of total foreign direct investment in Canada.

Both Canada and India have recognized that the two countries are nowhere near realizing the true potential for trade and investment between the two nations. Accordingly, they have launched negotiations for a free trade agreement. Given the size of India's economy and its potential for growth, such an agreement could provide substantial benefits for Canadian exporters and investors.

China

Of all the BRIC nations, China is the one with which British Columbia has developed the strongest relationship. Demand from China has single-handedly helped prop up BC's lumber industry as dwindling US housing starts have whittled away American demand for BC lumber, resulting in slumping exports and a number of mill closures. China's thirst for other commodities, such as pulp, coal and copper has also been a boon for BC's exports.

Almost a third of Canada's exports to Mainland China in 2010 were sourced from BC



Source: Statistics Canada

Exports from BC to Mainland China climbed 64% in 2010, representing the thirteenth consecutive year in which the value of shipments to China has increased. BC was the origin of 32% of Canada's exports to China in 2010.

Almost a quarter (24%) of BC's exports to China in 2010 consisted of pulp. Coal represented a further 21% of shipments, followed by lumber (16%) and copper ores and concentrates (10%). Pulp (9%) and coal (8%) were also Canada's top exports to China, with over 80% of each sourced from British Columbia.

Between 2000 and 2010, Canadian exports to Mainland China almost tripled in value, while imports from China have almost quadrupled. There has been similar growth in Canadian direct investment in China, climbing from $565 million in 2000 to $4.8 billion in 2010. Meanwhile, Chinese investment in Canada has exploded in recent years, rising from $192 million in 2000 to $14.1 billion in 2010, with most of that growth occurring in the last few years. Despite the rapid growth, there are still further opportunities for expansion of trade and investment with China.

Of all the BRIC countries, China is the one with which Canada has made the most significant inroads. While China represents the largest economy of the four BRIC nations, the other three should not be underestimated in terms of the potential they can offer as trade and investment partners for Canada. A new trade deal with India would certainly expand trade and investment with that country and an improved relationship with Brazil could also result in strong growth in trade that will benefit both British Columbia and Canada as a whole.

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BC at a glance . . .

POPULATION (thousands)	Jan 1/2011	% change on one year ago
BC	4,554.1	1.2
Canada	34,278.4	1.1
GDP and INCOME (Released Nov 4)		
(BC - at market prices)	2009	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	191,006	-3.4
GDP *($ 2002 millions)*	161,851	-1.8
GDP *($ 2002 per Capita) (reflects revised pop)*	36,287	-3.5
Personal Disposable Income *($ 2002 per Capita)*	25,374	-1.9
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Mar 2011	3,215	2.2
Merchandise Exports - Apr 2011	2,422	-9.1
Retail Sales - Mar 2011	4,851	0.2
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Apr 2011)	one year ago	% change
BC	2.7	1.9
Vancouver	2.6	2.2
Victoria	2.7	1.6
Canada	3.3	2.1
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	May 2011	prev. month
Jobs Created (-Lost) - BC	5.2	
Labour Force - BC	2,464.4	-0.1
Employed - BC	2,278.1	0.2
Unemployed - BC	186.3	-4.3
		Apr 2011
Unemployment Rate - BC *(percent)*	7.6	7.9
Unemployment Rate - Canada *(percent)*	7.4	7.6
INTEREST RATES (percent)	Jun 8/2011	Jun 9/2010
Prime Business Rate	3.00	2.50
Conventional Mortgages - 1 year	3.50	3.70
- 5 year	5.39	5.99
US-CANADA EXCHANGE RATE	Jun 8/2011	Jun 9/2010
(avg. noon spot rate) Cdn $ per US $	0.9780	1.0395
(closing rate) US $ per Cdn $	1.0207	0.9576
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	May 2011	one year ago
BC	831.56	0.5
Canada	837.44	2.7

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Socio-Economic Profiles 2010

The 2010 Socio-Economic Profiles are now available. These profiles present data in tables and charts on population, economic hardship, labour market, education, crime, health and risk factors for children and youth. Some special regions and the Indices should be available by the end of June.

http://www.bcstats.gov.bc.ca/data/sep/choose.asp

2010 BC Apprenticeship Student Outcomes Survey Summary Report

The 2010 Apprenticeship Student Outcomes (APPSO) Survey was conducted with former students who completed the final year of their apprenticeship training in a B.C. post-secondary institution between July 1, 2008 and June 30, 2009. Approximately six months later, from January to April of 2010, 2,750 former students from 29 institutions (14 public and 15 private) participated in survey telephone interviews - the gross response rate was 56 percent. For more information on BC Student Outcomes, visit BC Student Outcomes

http://outcomes.bcstats.gov.bc.ca/Libraries/APPSO_Reports/2010_Apprenticeship_Report_pdf.pdf

File Finder

BC Stats powerful new tool to find small area data on the web site. Users can filter on an area type or a specific location, time period, product, and subject. The File Finder app is still very much under development and only a few products have been linked into it as yet, but it is already quite useful so we decided to share it with you.

http://www.bcstats.gov.bc.ca/filefinder.asp

Released this week by BC Stats

- Exports, April 2011
- Labour Force Statistics, May 2011
- Earnings & Employment Trends, May 2011
- Quarterly Regional Statistics, First Quarter 2011

Next week

- No subscription releases

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